

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

Julena Mills,

Debtor.

Case No: 21-46679-lsg
Hon. Lisa S. Gretchko
Chapter 13

PALETZ LAW

By: Matthew I. Paletz (P65009)
Attorneys for Creditor, Arbor Woods MHC
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**CREDITOR, ARBOR WOODS MHC'S OBJECTIONS TO CONFIRMATION OF
DEBTOR'S PROPOSED CHAPTER 13 PLAN**

NOW COMES Creditor, Arbor Woods MHC, by and through its attorneys, PALETZ LAW, and objects to the confirmation of Debtor's proposed Chapter 13 Plan ("Plan") filed on August 23, 2021, (ECF No. 16) as follows:

1. Arbor Woods MHC ("Creditor" or "Lessor") owns the real property located at: 1943 Ridgeview, Lot #010, Ypsilanti, MI 48198 ("Residential Rental Premises"), which it leases to the Debtor, Julena Mills ("Debtor").
2. On September 17, 2019, Lessor and Debtor entered into a Lease Agreement for a lease term of one year, commencing on October 1, 2019, and terminating on September 30, 2020. See attached copy of Lease Agreement marked as Exhibit A.
3. Pursuant to the terms of the Lease Agreement, Debtor is required to pay \$568.00 per month to lease the Residential Rental Premises. Debtor is also responsible for utilities and other applicable charges.
4. On August 16, 2021, Debtor filed a voluntary Chapter 13 petition.
5. Under the Plan, Debtor states an intention to assume the lease agreement with Creditor and has classified Creditor's claim as a Class 6.1 Continuing Lease/Contract Payments in the amount of \$565.00 with payment of the Creditor's claim to be paid by the Trustee.

6. Creditor objects to Debtor's proposed treatment of its claim as a Class 6.1 because it is not "ongoing" as represented by Debtor; per the terms of the Lease Agreement Debtor has been a month-to-month tenant since September 30, 2020.
7. Creditor objects because Debtor's monthly rental amount is not \$565.00. The correct monthly rental amount is \$568.00.
8. In addition, Debtor's Plan classifies a portion of the Creditor's claim as a Class 6.2 Pre-Petition Arrearage on an Assumed Lease with an arrearage amount of \$6,000.00 to be paid by the Trustee at an estimated monthly payment of \$166.67 to be cured within thirty-six months from the date Debtor's Plan is confirmed.
9. Creditor objects to Debtor's proposed treatment of its claim as a Class 6.2 because Debtor received rental assistance through the Covid Emergency Rental Assistance program ("CERA") to pay the appearance and three months of future rental assistance. See attached copy of the Consent Order for Conditional Dismissal marked as Exhibit B.
10. Debtor received a check in the amount of \$5,493.55 which was cashed on June 24, 2021. Under the CERA program, Debtor was required to remit payment to Creditor within 5 days of receipt. See attached copy of the CERA program application marked as Exhibit C.
11. Based on this assistance, Debtor should not have an arrearage with Creditor.
12. Creditor objects to Debtor's proposed treatment of its claim as a Class 6.2 because the arrears amount to be cured is incorrect. The correct arrears amount to be cured as of the date of the petition is \$6,214.39. See attached copy of Debtor's ledger marked as Exhibit D.
13. Creditor further objects because it does not cure the past due balance in a reasonable time based on the status of the lease.
14. In addition to base rent, Debtor's Plan fails to address utilities and other additional costs incurred each month by the Debtor.
15. Creditor objects because Debtor's proposed Plan also fails to address future rent increases.
16. Based on the Plan's failure to include this information, the plan is not feasible. Feasibility is required under 11 USC 1325(a).

17. As such, Debtor is in default, Creditor objects to its entry, and asks for Relief from the Automatic Stay as to Creditor, to which Creditor has filed a motion for contemporaneously with these objections.

WHEREFORE, Creditor respectfully requests that this Court deny confirmation and of the Debtor's proposed Plan.

Respectfully submitted,

/s/ Matthew I. Paletz

PALETZ LAW

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Date: October 14, 2021

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CERTIFICATE OF SERVICE

Matthew I. Paletz hereby certifies that on October 14, 2021, he electronically filed the following documents:

- (1) Creditor, Camelot Villa's Objections to Debtor's Chapter 13 Plan; and
- (2) this Certificate of Service,

with the Clerk of the Court using the ECF system, which will send notification of such filing to the following:

James P. Frego, II
23843 Joy Road
Dearborn Heights, MI 48127
fregolaw@aol.com

Krispen S. Carroll
719 Griswold, Suite 1100
Detroit, MI 48226

and *Matthew I. Paletz* further certifies that he mailed by United States Postal Service the above described documents to the following non-ECF participant: Debtor, Julena Mills, 1943 Ridgeway, Lot #010, Ypsilanti, MI 48198.

/s/ Matthew I. Paletz
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